

*BOOK REVIEW*

Mahon, Rianne and Stephen McBride, eds. 2009. *The OECD and Transnational Governance*. Vancouver: UBC Press. ISBN 9780774815550. Paperback: 32.95 CAD. Pages: 324.

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Critical scholars have focussed attention on many of the powerful formal institutions of transnational governance, such as the UN, WTO, IMF, World Bank, NAFTA, EU, and NATO, but the Organisation for Economic Co-operation and Development (OECD) tended to slip through the cracks of critical analysis. Mahon and McBride help fill this gap in the critical literature. The contributors, hailing from various disciplines, apply diverse perspectives and methodologies to provide a multi-faceted examination of how the OECD exercises power in the emerging global system of transnational governance. The authors' range of postmodern and Marxist critiques, tied together by an underlying neo-Gramscian framework, overcome perceptions of interdisciplinary/inter-perspective incommensurability to provide a much fuller picture of the OECD than any one perspective alone could provide. The cryptic title hardly indicates how well the authors unveil the inner workings of the OECD and explain its role as a key nodal site within the expanding power matrix of transnational governance that is responsible for neoliberal globalization. Furthermore, several contributors also point to an emerging alternative paradigm, described as 'inclusive liberalism.'

The book is of obvious interest to scholars of International Relations, International Political Economy and Policy and Administration Studies. Nonetheless, the chapter by McBride, McNutt and Williams analysing how the OECD develops labour policy and transmits these ideas to member states and Grinvald's case study of this process at work in Denmark should be of particular interest to scholars of Labour Studies. Scholars of Women's and Gender Studies as well as Labour Studies will find Mahon's analysis of the OECD's *Babies and Bosses* policy of interest. Of further specific interest to scholars of various disciplines are chapters analysing OECD policy-making regarding: the licensing of genetic inventions by Drouillard and Gold, social and health policy by Deacon and Kaasch, and education by Rubenson.

A reading of this reasonably jargon-free, accessible book would also be useful for social activists. Whether one wants to ensure that the ebbing tide of neoliberalism continues to recede, or wants to strategize how to confront the ascendance of an equally problematic 'inclusive liberalism,' social activists need to understand where the multiple nodes of transnational power reside and recognise how the OECD, as one of these nodes, operates within the matrix of globalization. The OECD stands out as a key nodal point of power where some of the people who facilitated the post-war liberalization of trade and investment and the consolidation of the North Atlantic states as the centre of the globalizing capitalist economy continue to reside and exercise power.

As a political science and labour studies educator in both university and popular education settings, a frustrating challenge I constantly meet is how to move undergraduate students and popular education participants beyond their perception that mysterious entities called 'globalization,' 'neoliberalism,' and 'capitalism' in and of themselves possess agency. The common shorthand claiming globalization causes this, or neoliberalism causes that, or capitalism is the root cause of so many problems, tends to imply that these words used as paradigm descriptors have agency; the shorthand fails to illuminate the human agency and complex social relationships actually at work. The chapters in this book are useful teaching tools to demonstrate how a paradigm forms by real people creating ideational concepts that they and others formulate into policies which the many people in various government, corporate, and NGO agencies then implement in myriad ways, which in turn causes those people affected to generate resistance and feedback. This paradigm creating process then progresses onward through constant iterations. The authors of this volume open the black-box of OECD policy formulation to shine a light on some of the previously mysterious human agents of paradigmatic change at the transnational level and the processes by which they affect change in the emerging global system.

Several of the authors also highlight the fractures within the OECD, most notably along the rift between the dominant Anglo-Saxon state members, that have most forcefully pushed the neoliberal agenda, and the rest, which have to various degrees and at different times followed less ideologically defined paths toward globalizing liberalism. Wolfe, in his chapter recounting the history of the OECD and its predecessor the Organisation for European Economic Co-operation (OEEC), notes 'liberal idealism is still the rock on which the OECD rests' (25). Whether Keynesian or neoliberal variants of liberalism, or the neo-Keynesian idea of 'inclusive

liberalism' that may be emerging from the OECD among other transnational institutions, the liberalization of trade and investment remains the core function of the OECD. Several of the case studies indicate that resistance to the implementation of neoliberal policies has affected decision-makers within the OECD. There may be a trend emerging within the OECD toward designing policy to mitigate some of the worst excesses of the neoliberal era. Nonetheless, the goal of policymakers is to strengthen capitalist institutions and expand these globally rather than limit them; OECD policymakers certainly have no intention of substantially reforming let alone eliminating capitalist institutions.

Unlike some institutions of transnational governance, which possess coercive powers – various economically coercive powers in the case of economic institutions like the World Bank, IMF, and NAFTA, or the blunt force coercion of NATO – the OECD possesses only the power of suasion. Porter and Webb's social constructivist analysis identifies two processes that make the OECD powerful. First, the formation of the identity of the member states and states aspiring to be members of the OECD is a process by which the OECD representatives of these states engage in 'mutual recognition of the superiority of the social and economic policies that are central to their [state] identities' (56). Secondly, the OECD derives and exercises power from the 'incremental reinforcement of particular practices through the OECD's ability to confer authority on them by portraying those practices as unproblematic, apolitical, and relatively routine ways of doing things that are known to be best due to the appearance of consensus that the OECD creates' (57). Pal explores further how these processes facilitate a world 'where rules of every type, at every level, seem to be multiplying into resilient meshes of control' as the 'soft law' embedded in OECD 'standards, norms, guidelines, and frameworks' is internalized as a global order by state policymakers (74). These social constructivist analyses are complimented by the neo-Gramscian analyses by Woodward and Ruckert. The Gramscian conception of hegemony, which recognizes power must ultimately rest in consensus and cannot be sustained by economic coercion and brute force alone, demonstrates the suasive power of the OECD in its ability to construct consensus and as Woodward demonstrates, 'pass off the particular interests' of transnational social forces and capital 'as the general interest of the majority of the poor in developing countries' (112). It is the capacity of the OECD to build consensus as a 'creator, purveyor, and legitimator of ideas' (Mahon & McBride, 15), which ultimately makes the OECD at least as powerful, perhaps via its creation of consensual legitimacy even more powerful, than

the coercive economic and military powers of some transnational governance organizations.

*The OECD and Transnational Governance* is a worthwhile read for critical scholars who want to understand more deeply how and why the OECD exercises the power it does in an emerging global system and for social activists who need to think about how best to strategically resist and co-opt this power.